MISSOURI DEPARTMENT OF ELEMENTARY AND SECONDARY EDUCATION
SPECIAL EDUCATION – FUNDS MANAGEMENT
VERIFICATION OF EXCESS COST REQUIREMENTS INSTRUCTIONS

For School Year 2005 – 2006

INSTRUCTIONS

I. Enter the average cost per pupil from state and local sources. (This cost was computed for the 2004-2005 school year from your district's ASBR and is posted on our web site at http://dese.mo.gov/divspeced/Finance/excesscostperser32-06.html – Report #SER32.) **DO NOT USE THIS CALCULATION FOR SPECIAL PURPOSE FUNDS APPLICATIONS.**

II. Enter the total local school district enrollment for the 2004-2005 year.
   A. Enter the elementary enrollment for the preceding year and compute the percent of total enrollment.
   B. Enter the secondary enrollment for the preceding year and compute the percent of total enrollment.

III. Compute the aggregate amount of expenditures for children with disabilities by multiplying the average cost per pupil (Section 1) times the Students with Disabilities Child Count submitted for December 1, 2004.

IV. Compute the amount applicable to elementary and secondary children by multiplying the appropriated percent times the aggregate amount identified in Section III.

V. Enter the cost of educating special education students in special programs. The cost shall reflect expenditures and encumbrances to be incurred during the 2005-2006 school year and shall include only the state and local portions of anticipated expenditures. Cost identified in this section include, but are not limited to, teachers' salaries, special education instructional materials, cost of related services directly attributed to children with disabilities and other costs which can be identified as being directly related to the education of special education students.

VI. Determine the cost associated with educating special education students while they are in regular programs.
   A. Enter the anticipated total district cost for instruction from <u>state</u> and <u>local</u> sources only. Use Expenditure code "1999 Total Instruction Expenditures" and code "2998 Total Support Services Expenditures" (with the <u>exception</u> of codes "2310 Board of Education Services", "2320 Executive Administration Services", "2400 Support Services-School Administration", and "2560 Food Services").
   B. Subtract the special education cost for instruction identified in Section V-D.
   C. Cost of instruction in regular programs is found by subtracting Section VI-B from Section VI-A.
   D. Compute the average instruction cost per student in the regular program by dividing the cost of instruction identified in Section VI-C by the total eligible pupils counted by the district for purpose of claiming state foundation aid. The 2005-2006 school year count shall be used.
   E. Compute the average cost per students with disabilities in the regular program by multiplying the amount identified in Section VI-D times the average percent of time students with disabilities spend in the regular classes. The percent of time in regular classes may be obtained by computing an average of the percent of time in regular classes as reflected by each student's IEP. Care should be taken to count <u>all</u> the children with disabilities for whom IEPs have been developed including students spending 100% of their time in special classes.

F.   To determine the district cost for educating students with disabilities in the regular class, multiply the average cost per student with disability in the regular program (Section VI-E) times the number of students with disabilities served in regular classes.

G.   To find the total district cost for educating children with disabilities, add the amounts computed in Section V-D (Cost of educating special education students in special programs) and the amount computed in Section VI-F (Cost of educating special education students in regular classes).

VII.   This section is self-explanatory.

It is not necessary to submit the excess cost computation to this office. The regulations indicate that local districts should maintain records and be able to demonstrate the amounts identified for special education students were actually spent for this purpose. The information computed shall be available for audits required of the local district and for review by state and federal agencies.

Districts submitting a consolidated application or through a cooperative special education arrangement shall determine an average excess cost for all districts involved. Each of the component districts involved in either a consolidated or cooperative arrangement will be expected to develop an excess cost documentation calculation and the fiscal agent should average the amounts to determine the average amount that is represented by the cooperative or consolidated application. Each of the component districts will individually receive the per pupil cost calculation of state and local effort and will be responsible for the computation and documentation of the information required. The basic amount the consolidated or cooperative application must address is the average of the local and state costs identified for the component districts.

Questions regarding the procedures for calculation or documentation of excess cost, please contact the Funds Management Section at phone: 573-751-0622 or e-mail: webreplyspefm@dese.mo.gov).